



"For goodness sake, John, can't you check that furnace? Do you want to roast us alive?"

"One would think it Mid-winter instead of early Fall."

"How foolish we were not to put up a



for just such days as this.

"Why, my head is fairly splitting!"

"That wood stove will give us just as much or as little heat as we want this changeable weather."

"It holds fire all night and heats up quickly in the morning by putting in a fresh stick."

"And think of the furnace coal we would have saved—four or five tons at least—during the Fall and Spring."

"Talk about comfort—that is the way to get it."

It is also the best way for YOU to have it. Will you drop in and examine this "Quick Comfort" Heater?

"Cole's," the Original Air-Tight Heater, is sold only by us

Lopez Store Co.
IRONTON, MO.



The Amendments.

JEFFERSON CITY, September 12th. The sixth of the series of arguments on the measures to be submitted to vote at the coming election was today issued by Secretary of State Cornelius Roach. Those wishing to vote intelligently on Amendments Seven and Eight should preserve this article. The sole purpose in giving these arguments is to furnish information to the voter, and the Secretary of State is in no way responsible for assertions made on either side of any subject discussed.

The champions of Amendment No. 7 give the following reasons why the measure should be adopted:

This amendment will enable the State Legislature to pass a bill which will pension the worthy blind. Other States are doing this, and it has proven that the small cost to the State is more than made up in the fact that the small allowance helps them pay guides to assist in going to work they are qualified to do. It does not mean maintaining them in luxurious idleness, but gives them a minimum income that enables them to help themselves.

The movement has been endorsed by the Central Trades and Labor Unions, the Conference of Charities and Corrections, and many other leading organizations.

If through no cause of your own, you were to become suddenly blind, how would you support yourself? Suppose you were dependent on your income, as blind people usually are, what kind of a living could you earn? I believe, if you will answer these questions in your mind, you will readily understand the need of your vote and support in this movement.

OPPOSING ARGUMENT.

The reasons given by the opponents of Amendment No. 7 why it should be voted down are as follows:

This amendment should not be adopted because it is paternalistic. The Government has discharged its duty when it guarantees peace, liberty and equal opportunity to all alike. A system of pensions has always proved a bad thing, for as soon as one class is pensioned another applies. We hear of pensions for soldiers, for police, for firemen, for preachers, for teachers, and so on. Where will it all end? If such a proposition as this carries, our children and grandchildren will be paying pensions for all kinds and classes of people without number, thus ultimately taxing the people into poverty and the Govern-

ment into bankruptcy. A pension system is death to self-reliance. Rob humanity of its self-reliance and all progress ends.

The champions of Amendment No. 8 give the following reasons why the measure should be adopted:

This amendment now affects Kansas City alone. Sec. 16, Art. 9 of the Constitution, written in 1875, requires Kansas City to publish a proposed charter amendment 30 days in the three newspapers (one printed in German) having the largest circulation in the city. The city has been obliged to pay to newspapers as much as \$25,000 for a single amendment. Such expense practically prohibits amendments. A proposed charter is read, as published, by comparatively few citizens. The general public gets its knowledge of proposed amendments from discussions in newspapers and at public meetings. A proposed charter amendment can not escape public notice. It must be first proposed by ordinance, passed by the council, and approved by the Mayor. All council proceedings are public and published.

Constitutional Amendment No. 8 authorizes the city to publish a proposed charter amendment once a week, for three weeks, in two newspapers, one a daily printed in German. This will provide every person with a copy. If this Amendment be adopted, the city may mend its charter without useless expenditure of large sums of public money.

OPPOSING ARGUMENT.

The reasons given by the opponents of Amendment No. 8 why it should be voted down are as follows:

This amendment should be defeated, if for no other reason, just to show those who would trifle with the organic law of the State that it is useless to "clutter up" the ballot with matters of small moment. What difference does it make to people of a city greater than 100,000 whether formal notice of a city charter change is published thirty days in three newspapers or three weeks in two newspapers? Or whether the German paper required to be used shall be a daily? Or whether affirmative action shall require "three-fifths of the voters voting on the proposition?" This is not quite twelve-dee and twelve-dee, but it is so near that it furnishes a beautiful illustration of hunting for mosquitoes with a cannon. The frequency with which cities are changing their charters in these days of fada legislation furnishes proof sufficient that it is already easy enough to

amend charters without further reducing the restrictions fixed by the founders of the State.

Bankers' Trust Company.

St. Louis Post-Dispatch.

An investigation into the collapse of the Bankers' Trust Co., which for eight years was the wonder of St. Louis financiers, discloses that a remarkable system of high finance bookkeeping created a fictitious financial condition which resulted in a fictitious value for its 25,000 shares of capital stock. The stock was quoted on the stock exchange for \$190 a share on April 24, last. Six weeks ago, when the exchange closed on account of the European war, the stock was selling at less than \$20, a depreciation of \$4,250,000 in its market value.

Hundreds of persons, mostly in St. Louis and southeast Missouri, hold the stock, which they purchased at prices ranging from \$100 to \$295 a share. This high price was the market quotation in February, 1913.

The investigation included an audit of the trust company's books by Westernmann, Trader & Co., certified public accountants, and an appraisal of assets by a committee composed of H. P. Hilliard, president of the Central National Bank; E. M. Hubbard, cashier of Boatman's Bank, and George W. Clarkson, president of the Grand Avenue Bank.

The trust company is now in the hands of State Bank Commissioner Mitchell, who took charge of it after a receivership suit. The trust company did not receive deposits, and its business consisted chiefly of railroad building, in owning bank stocks and in handling real estate transactions.

The audit and appraisal and additional facts disclose that the company's stock was maintained at a fictitious value through expert bookkeeping, and that officers of the trust company sold large blocks of their personal stock at a high valuation immediately before the affairs of the company were revealed to be in such shape that the stock rapidly declined in value from \$190 a share to less than \$20.

The stock began to slump on the Stock Exchange May 1, when the usual quarterly dividend of 4 per cent, which had been maintained for seven years, was passed. Before that time it had sold at \$190 a share for several months. It dropped to \$185 and then rapidly fell until within 10 days it was selling at \$85.

Memoranda taken from the records of the company show that in the six months preceding the passing of the dividends, Charles S. Marsh, vice-president of the company and one of the active managers of its affairs, reduced his stockholdings from 475 shares to 289 shares, selling 206 shares, and John E. Franklin, president, who in literature sent out by the company was described as its "driving force," reduced his holdings between November, 1913, and May 8, 1914, from 9223 shares to 5584 shares, selling 444 shares of stock.

On May 2, 1914, Franklin addressed a letter to the stockholders in an effort to calm the fears as to the solidarity of the Bankers' Trust Co. In this letter he said: "We think to sell the stock at this time, at the present market quotations, is making a foolish sacrifice." The information in the possession of the Post-Dispatch is that between May 1 and May 8 Franklin sold 230 shares of stock he held.

The audit shows the system by which the stock was held at a high price on the St. Louis Stock Exchange was this:

The board of directors in 1907 had passed a resolution providing a 4-per cent quarterly dividend should be paid. For a number of years it has been customary to declare an extra Christmas dividend of 4 per cent, making 20 per cent paid annually on the stock.

The company received a large income from its interest and commissions, and from dividends on the stocks owned by it. The records show that with the exception of one or two years, this income was not sufficient to pay the 20 per cent dividend. Each year of the company's existence, the audit shows, the earnings account was increased to an amount equal to or more than necessary to overcome the difference between the income from interest, commissions, and dividends, and the amount needed to pay the dividend.

This was accomplished by a credit in the earnings account of appreciation on stocks owned. The stocks were not disposed of and the appreciation was not obtained in cash earned, but it was paid out in dividends.

All this time the company was a heavy borrower of money, principally from the National Bank of Commerce, two of whose officers in the early days of the Bankers Trust Co. were directors of the Bankers Trust Co. These were B. F. Edwards, president, and J. A. Lewis, cashier, of the Bank of Commerce.

The appreciation which was declared on the stocks was used as a part of the assets on which money was borrowed, and from this borrowed money dividends were paid.

In addition to the appreciation of stocks, the audit shows, the items of interest and commissions in the earnings account were augmented \$329,420 in the eight years by credits which were charged to the bond account.

The trust company was building a railroad in Texas, the San Antonio, Uvalde & Gulf, the bonds of which it held. On the theory that this road was worth much more than the money invested in it by the trust company, a portion of its value was transferred to the earnings account, money borrowed on the asset, and the amount transferred was paid out in dividends.

In addition to the amount transferred to the earnings account, \$1,900,000 was transferred from the railroad bond account to surplus, being credited

as "accumulated profits" of the railroad.

So, by these means, a fictitious financial condition was created, which made a fictitious value for the company's stock.

The audit discloses the Company's books, on May 11, 1914, showed assets of \$6,811,069.36. The appraisers report showed that in their opinion the assets were overvalued \$1,735,239.92, making the actual value of the assets \$5,075,829.44. The appraisers also reported that the company had liabilities aggregating \$897,527.50 more than the liabilities shown on the books.

The auditors reported it was impossible to tell from the books of the trust company the amount the company had invested in the San Antonio, Uvalde & Gulf railroad. The company said the amount was \$3,162,133.57. The auditors also reported that there were many details of the company's business which were not revealed by the books.

The audit shows that of the \$3,000,000 of railroad bonds held by the company at a valuation of \$2,400,000, it has pledged for loans, bonds to the par value amount of \$2,771,000 and that of these bonds, \$229,000 par value are unpledged.

Of its total securities, including bonds and notes, amounting to \$6,675,880.66, the audit shows the company has pledged for money borrowed \$6,020,519.72. The appraisers figured the total assets at only \$5,075,829.44.

Franklin and Marsh are out of the city and it was impossible for a reporter to obtain statements from them. Franklin is with his family at his home in Colorado Springs.

Mr. Franklin has since sent a statement to the Post-Dispatch denying every allegation of wrong-doing. His statement, published in Sunday's issue, is, in part, as follows:

"I have just read the articles in the Post-Dispatch criticizing the Bankers' Trust Co., and its management.

"As to the charge that I sold some of the stock after the first of May, when the company was in financial trouble, this is absolutely false. The stock of mine that was sold was held as collateral and was sold by order of the banks that held this collateral and against my protest.

"As to the charge that the management of the Trust Company paid unearned dividends—this is based upon the alleged inflation of book values or bank stock held by the Bankers' Trust Co. As a matter of fact, there was no inflation of these bank stock values.

"It was the rule with the management of the trust company to carry the bank stocks of the company at book value. Banks do not pay all their earnings in dividends, but retain more or less of these earnings in surplus and undivided profits. We put into our profit account the dividends received from these banks and once a year revised the book values of these stocks by adding in the earnings for the year that had not been paid out in dividends. These are the various entries on the books of the trust company and these were entirely legitimate and proper, as any banker will concede.

"The fact that the appraisement of these stocks by Messrs. Hilliard, Clarkson & Hubbard at a somewhat less amount than they were carried on our books arises from the fact that one of the banks in which we held stock—namely, the State National Bank of Little Rock, had been closed for liquidation by action of its directors and this committee marked them off as a loss the entire amount at which we were carrying this stock, also reduced the value of the stocks of some of our banks that held discounts of the State National Bank. The Comptroller of the Currency later held that the State National Bank was solvent and it is being liquidated now under the superintendence of its Board of Directors.

"That some of these bank stocks have been sold recently at less than book value is not surprising, considering that they were forced sales and at a time so unfavorable to the sale of any property. As a matter of fact, the entire list of bank stocks held by the Bankers' Trust Co. could have been sold in April at a higher value than we were carrying them, and I personally favored selling these stocks, but was opposed by some of our directors.

"Another criticism was that \$1,900,000 was added to surplus account without any assets to show therefor. This is entirely erroneous, as the report of Westernmann & Trader show; for this entry was more than offset by the sale of subsidiaries and donations received on account of the construction of the San Antonio, Uvalde & Gulf Railroad. * * * The fact that the management of the trust company made a mistake in undertaking the construction of this railroad is frankly admitted. This did not seem to be the case at the time the deal was undertaken and it is only the unfavorable course of events, that could not be foreseen, that has made this undertaking so unfortunate for the Bankers' Trust Co.

"It is this railroad construction that has caused all our trouble and I am wholly to blame for undertaking it, for it was on my recommendation that the board of directors of the trust company approved the undertaking. It was an error of judgment which I greatly deplore. I have suffered greater financial loss than any one else, but at the same time the losses of my friends and others who were stockholders in the Bankers' Trust Co. have worried me more than my own losses.

"The most thorough investigation, however, will not show any malfeasance on the part of the management of the Bankers' Trust Company or its board of directors."

Statistics.

(The St. Joseph Observer.)

The secretary of the Kansas State Board of Health is out with a brand new set of "statistics," which are being palmed off on the gullible eastern newspapers. Others have worked off the made-to-order "statistic" with more or less success, but now the state board of health is getting into the game.

Kansas, we are told, has "fewer murders, fewer homicides than any

FALL MERCHANDISE

We have just received a Splendid Line of FALL AND WINTER GOODS:

- | | | |
|-----------|--------------|-------------|
| Shoes | Underwear | Clothing... |
| Hats | Caps | Hosiery |
| Blankets | Comforts | Cloaks |
| Overcoats | Rubber Coats | Corsets |
| Ties | Piece Goods | Shirts |
| Rubbers | Overshoes | Felt Boots |
| Pants | Wool Shirts | Sweaters |

In fact, our FALL LINE is Very Complete. The Prices are now Very Low, the Goods of Splendid Quality!

Our GINGHAM is the Bookfold "Amoskeag"—recognized as the BEST 10c Gingham in America. Our FLANNELLETTE is a Very Heavy Quality; Solid Colors on the "Amoskeag" Flannellette: a Great Value for 10c.

NOTICE.—We have just put in the well known "DUST-PROOF" WARNER'S CORSET.

B. N. BROWN.

IRONTON, MO.

other state," but where are the comparative figures? None of an official character exist. The "ratio of accidental deaths" are cited by the Kansas "statistic" manufacturers, and is said to be "one of the lowest in the world." The secretary of the Kansas State Board of Health evidently does not know that there are no reliable rates of accidental deaths for "the world," much less for Kansas.

Let it be noted that Kansas, despite her claim to superior enlightenment, is still so backward as to be a non-registration state, that is, one with a system of registering deaths so imperfect that the vital statistics of Kansas are not incorporated in the United States census reports. When, therefore, the secretary of the Kansas Board of Health asserts that "the vital statistics of the various states show that Kansas has fewer deaths from kidney disease than any other state," he lays himself open to the charge of manufacturing evidence.

Since Kansas is outside the registration area, its vital statistics are worthless. Not long ago the secretary of the Kansas Board of Health called the attention of his fellow Kansans to the fact that the vital statistics of the state were so unreliable that they showed the average duration of life to be something like one hundred and eight years. He was not at that time, however, furnishing facts for prohibition purposes, but was telling the truth to the "folks back home."

Only the unregenerate or ignorant cling to the belief that it is possible to demonstrate the precise relations between various social and physical or mental ailments and the use of liquor. Further, the official records of Kansas show that there is no dearth of liquor in that oasis. The records of the office of the county clerk of Sedgewich county show that the little town of Wichita, with a population of 62,450, received 12,000 gallons of liquor during August, 1914. This does not take into account, of course, the amount of liquor smuggled into the town, but only includes that duly registered in the office of the county clerk, according to the Kansas law.

The further fact that the state reports disclose a falling off of 1100 in the population of Kansas is not mentioned in the "statistic manufacturers' report and a reason furnished by the State Board of Health for this slump would be read with great interest.

Try Cherry Chio. It's fine.—Adv.

St. Louis

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North, East or West.

I CAN sell you a through ticket from Ironton to your destination and will check your baggage through. This will save you time and in many cases will save you money.

Four Daily Trains North

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Treats all manner of Disease and is now prepared to devote his whole time to the Practice.

Examination Free.